

Tom Newman, CPG, RG, CG
Geology Department



Holcim (US) Inc.
1405 Parkwood Drive
Ft Collins, CO
80525-1934

Mobile 970-215-6110
www.holcim.com/us
Tom.newman@holcim.com

S/045/060

May 21, 2004

Tom Munson
Utah Department of Natural Resources
State of Utah, Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

SMO S/045/060

Nicole L. Cline, AICP
Planner/Deputy Zoning Administrator
Tooele County Dept. of Engineering
47 South Main
Tooele, Utah 84074

CUP 0116-02

Mike Ford / Larry Garahana
Geologist
BLM - Salt Lake District Office
2370 South 2300 West
Salt Lake City, Utah 84119

U-77753 and U-77778

Subject: Holcim (US) Inc. – State of Utah Letter - Attached - Skull Valley, Utah

Dear Sirs,

This correspondence is for your Files.

It concerns the letter dated May 18, 2004 from Wayne Hedberg, Permit Supervisor, State of Utah, Oil Gas and Mining. Mr. Hedberg asks that Holcim be brought up to date on Utah's Permit Fees and Reclamation Bonding Requirements.

Holcim will comply fully with Mr. Hedberg's request for a Reclamation Surety Bond for the Diatomaceous Earth Pit in Skull Valley. Holcim will have the Bond issued in May, 2004.

Holcim apologies for the delay in the Annual Permit Fee for 2003-2004. I believe the problem is in the mailing address. The address has been corrected to go directly to the Devils Slide Plant. A check is being cut for the amount the week of May 24, 2004.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tom Newman".

Tom Newman, CPG, RG
Corporate Geologist

RECEIVED
MAY 25 2004
DIV. OF OIL, GAS & MINING

Copy:

**Chester Goodson, Plant Manager
Lance Stephens, Production manager
Ken George, Quarry manager
Holcim (US) Inc.**

Attachment: State of Utah Letter dated May 18, 2004 – Ref# S/045/060



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

May 18, 2004

Tom Newman, CPG
Chief Geologist
Holcim (US) Incorporated
1405 Parkwood Drive
Fort Collins, Colorado 80525-1934

Subject: Status of Mine Permit, Holcim (US) Inc., Skull Valley Diatomaceous Earth, S/045/060, Tooele County, Utah

Dear Mr. Newman:

On May 12, 2004, we received your letter stating that Holcim is planning on reopening the existing pit to remove Diatomaceous Earth in the very near future, pending approval of the Plan of Operations by the BLM, which you stated would be issued very soon.

This letter is a reminder that on September 8, 2003, the Division put this operation in suspension for failure to pay the required \$150.00 permit fee for year 2003-2004. Our records reflect that the permit fee has not yet been received; therefore, **no mining may take place until that issue has been resolved**. The permit fee for the next fiscal year will be due again in July. You could submit both the 2003-2004 and the 2004-2005 permit fee payment at this time, if you wish to do so. We have enclosed another billing statement for the 2003-2004 fiscal year for your use. If you do not wish to submit the next year's permit fee at this same time, another billing statement will be sent toward the end of June for the 2004-2005 fiscal year.

Also, as you are aware, the Utah Legislature now requires that reclamation surety be posted for all mine sites. We have no record that reclamation surety has been posted for this site. If you have posted a reclamation surety with the BLM, we will need a copy of the surety. The Division will honor existing sureties held by the BLM at this time; however, in the near future, we will require that the surety be revised to include the Division as a beneficiary. If you do not have a surety posted with the BLM, then you must post reclamation surety with this office and include both the BLM and the Division as beneficiaries, prior to continued mining or expansion of your operations.

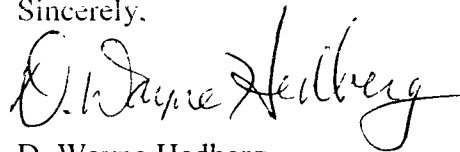
Page 2 of 2
Tom Newman
S/045/060
May 18, 2004

Your letter states that your operation will stay within a five acre disturbed area. Therefore, the Division will require a \$17,000 reclamation surety be posted for a five (5) acre site. If you have estimated a reclamation cost and submitted that estimate to the BLM with your plan of operation, and if that estimate is different from the required \$17,000, we would need a copy of that estimate for review to see if it is sufficient and acceptable. A Reclamation Contract is also required to accompany the surety. Acceptable sureties include, Certificate of Deposits, Letters of Credit, Surety Bonds, and cash. Please be advised that if you post a cash form of surety, the State Treasurer's Office may require additional monies to administer a cash account. When you determine the type of surety you wish to post for this site, please contact Joelle Burns at (801) 538-5291 to obtain the current bonding forms, or you may obtain the forms on the internet at www.ogm.ut.gov.

Please provide us with a copy of your plan of operations that will be submitted to the BLM, so that we may update our small mine file on this site. Your summarized plan indicates you plan to disturb and contemporaneously reclaim about three acres of land annually to stay within the small mine category. ***Please be advised that Rule R647-3-109.13.12 requires that reclaimed and reseeded areas must survive one growing season, before the Division can consider excluding them as part of the small mine disturbed area.***

Thank you for your immediate attention to bringing your permit into good standing once again by submitting the required permit fees. If you have any questions or concerns regarding this letter, please contact me at (801) 538-5286 or Tom Munson at (801) 538-5310.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

DWH:jb

Enclosure: Billing statement

cc: Ken George, Quarry Manager
Mike Ford, BLM, SLFO
Nicole Cline, Tooele County

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State of Utah

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

HOLCIM (US) INC 1
PO BOX 122
DUNDEE MI 48131-0122

ATTENTION: TOM NEWMAN

DELINQUENCY NOTICE

Annual Permit Fees (July 2003 thru June 2004)

PROJECT NAME	PROJECT ID	ACRES	BILLING DATE
SKULL VALLEY DIATOM EARTH	S450060	NA	06/27/2003
PERMIT TYPE	PROJECT STATUS	ANNUAL FEE	
SMALL MINING OPERATION < 5 ACRES	ACTIVE	\$ 150	

DUE DATE	AMOUNT DUE
07/25/2003	\$ 150

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED
HOLCIM (US) INC 1

PROJECT NAME
SKULL VALLEY DIATOM EARTH

PROJECT ID
S450060

DUE DATE	ANNUAL FEE	AMOUNT DUE
07/25/2003	\$ 150	\$ 150

TAX ID OR SOCIAL SECURITY #

☐ **FEE NOT ENCLOSED**
Permittee requests
an inspection to close
out this permit.

Change of Address

Contact **LANCE STEPHENS**
Production Manager

Address **Holcim, Inc.,**
6055 East Croydon Rd, Devil's Slide,
UT 84050

E-mail address **LANCE.STEPHENS@Holcim.com**

State **UT** Zip **84050**

Phone **801-829-6821**

DIVISION OF OIL GAS AND MINING
1594 WEST NORTH TEMPLE SUITE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

Please make check payable to:
Division of Oil, Gas and Mining